
REVEX ISSUE 4 & 5 – ACCP SUBCOMMITTEE

ACCP SURCHARGE GOALS

- Reduce pass-through surcharges to farmers
- Reduce volatility
- Have those most directly benefitting pay more of the program costs
- More even distribution of surcharges
 - between pesticides and fertilizers
 - between farmers, bulk storage businesses, and registrants
- Simplify
- Collect between \$750,000 and \$1 million annually



ACCP SURCHARGE STRUCTURE PROPOSAL

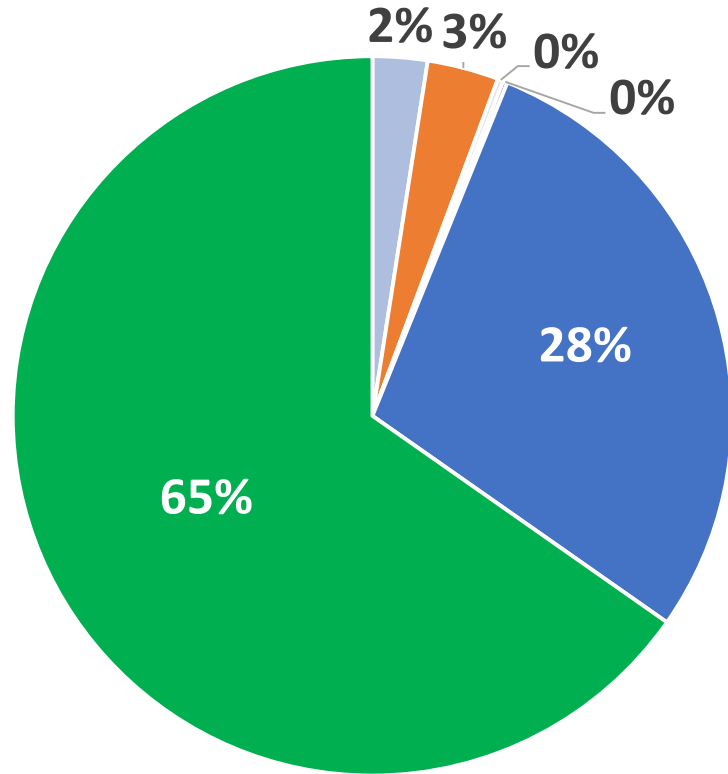


PROPOSED NEW SURCHARGE STRUCTURE

License Type	~ Number	Proposed Surcharge	Total Revenue	% of Total Revenue
Pesticide Business Location (PBL)	2,400	\$35	\$84,000	10%
Individual Commercial Applicator (ICAL)	8,500	\$15	\$127,500	15%
Restricted Use (RU) Dealer	420	\$25	\$10,500	1%
Fertilizer License	775	\$35	\$27,125	3%
Fertilizer Tonnage	1,900,000	\$0.15	\$285,000	34%
Pesticide Registration (NHH)	5,300	\$50	\$265,000	31%
Bulk Storage – Fertilizer *NEW*	279	\$100	\$27,900	3%
Bulk Storage – Pesticides *NEW*	235	\$100	\$23,500	3%
TOTAL			\$850,525	100%

% of ACCP Revenue Current Model

(\$2.9 million)



■ Pesticide Business Location (PBL)

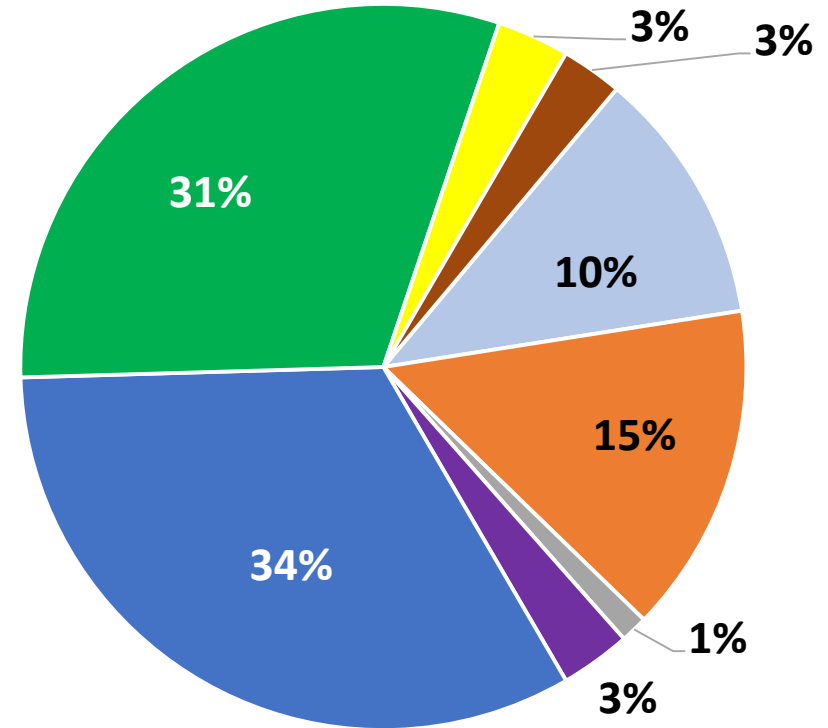
■ Restricted Use (RU) Dealer

■ Fertilizer Tonnage

■ Bulk Storage -- Fertilizer

% of ACCP Revenue Proposed Model

(\$850,000)



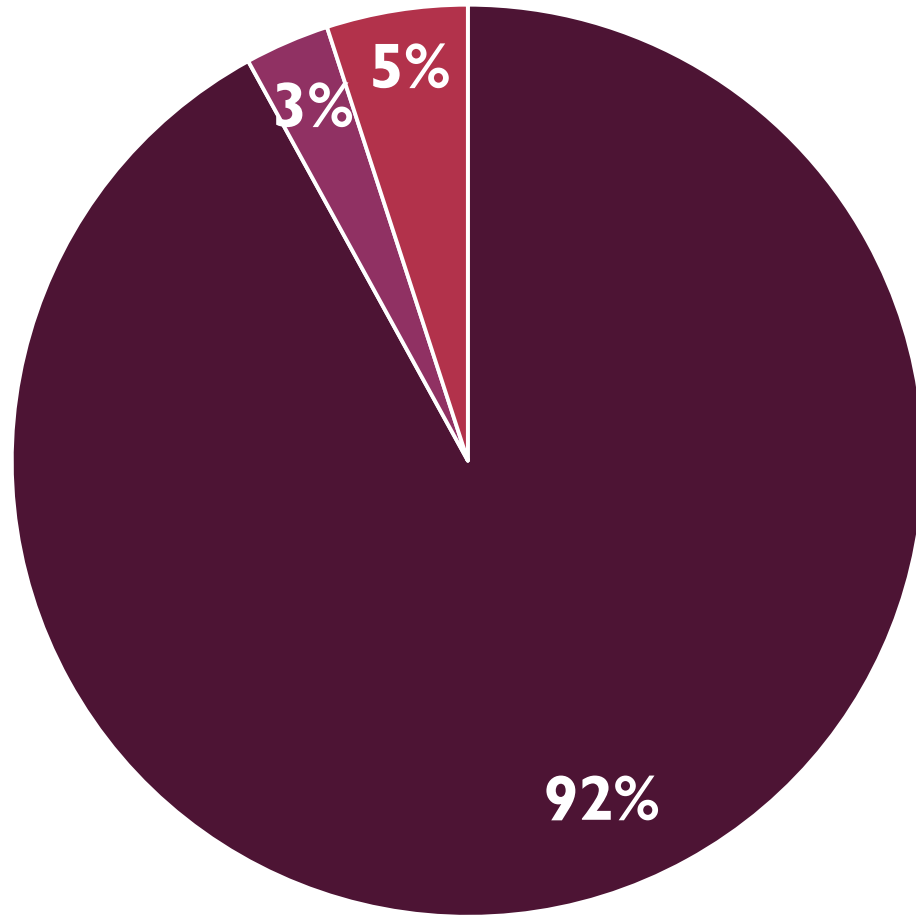
■ Individual Commercial Applicator (ICAL)

■ Fertilizer License

■ Pesticide Registration (NHH)

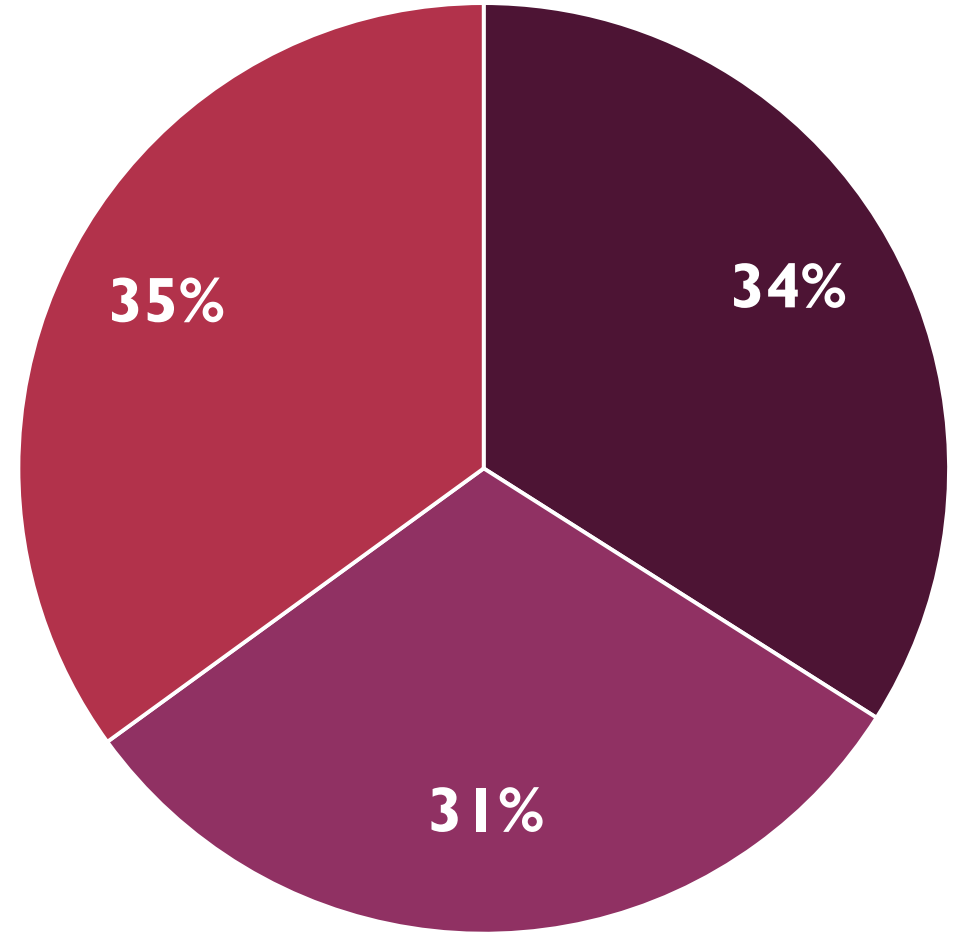
■ Bulk Storage -- Pesticides

**ACCP Revenues by Sector
(FY2015)**



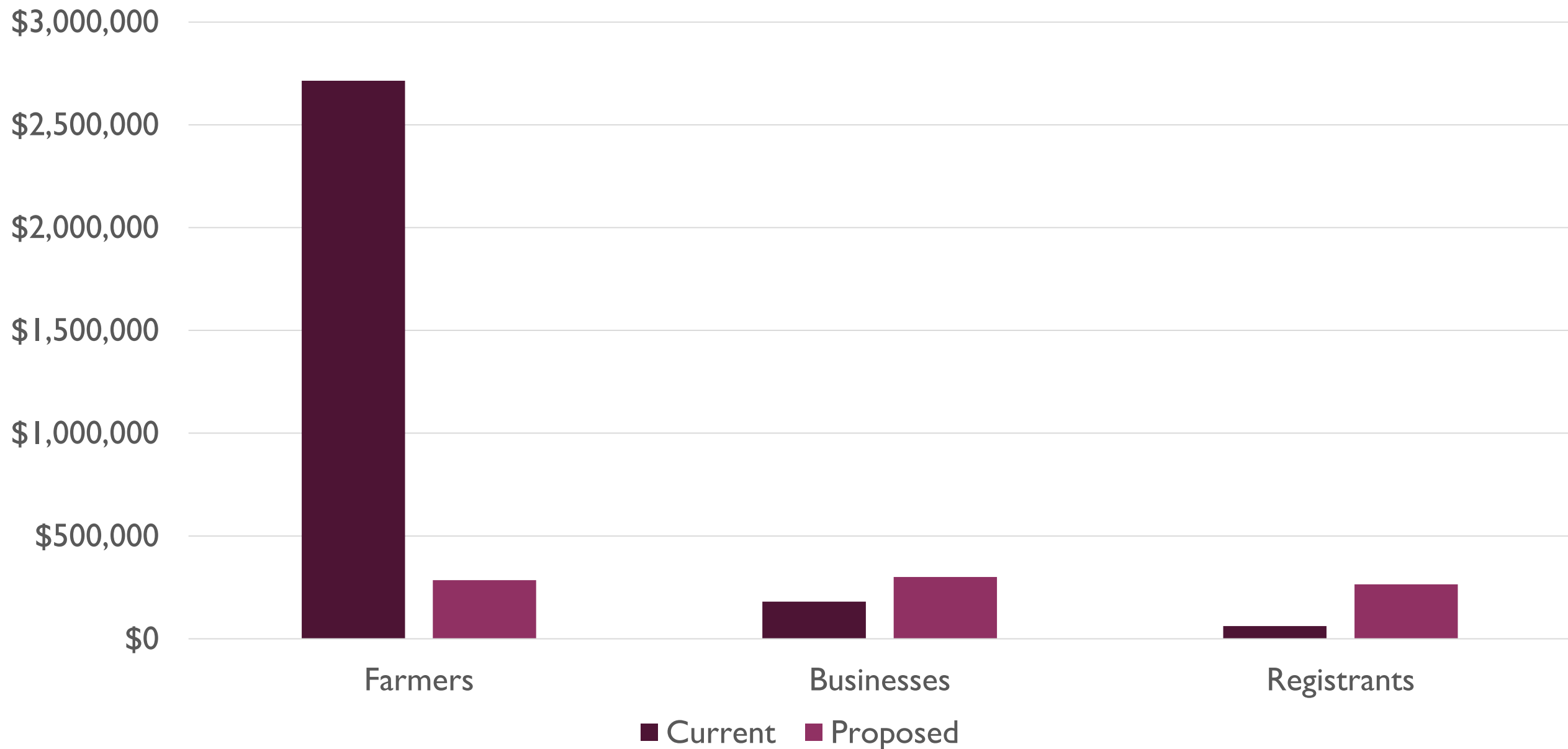
- Pass through to Farmer
- Registrants
- Businesses

**ACCP Surcharges by Sector
(Proposed)**

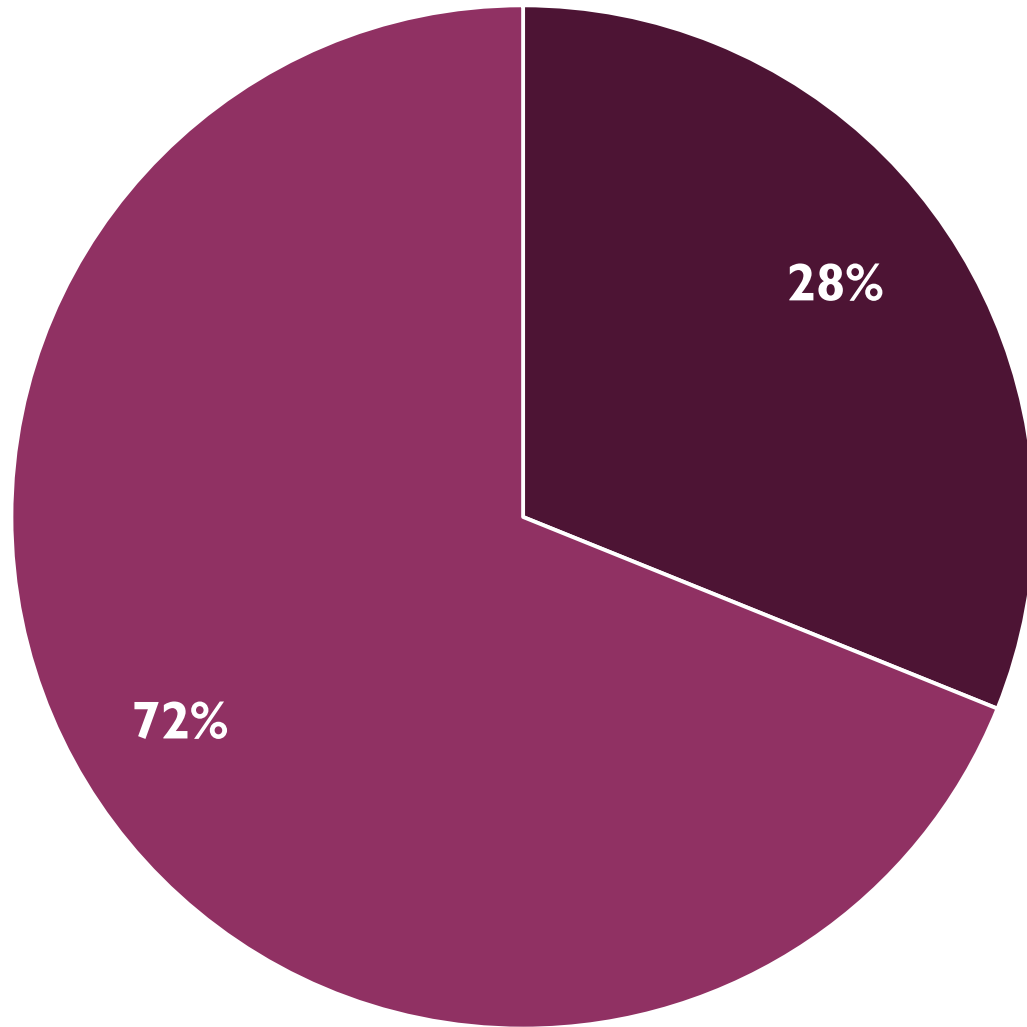


- Pass through to Farmer
- Registrants
- Businesses

Actual ACCP Surcharge Amounts Current (2015) vs Proposed

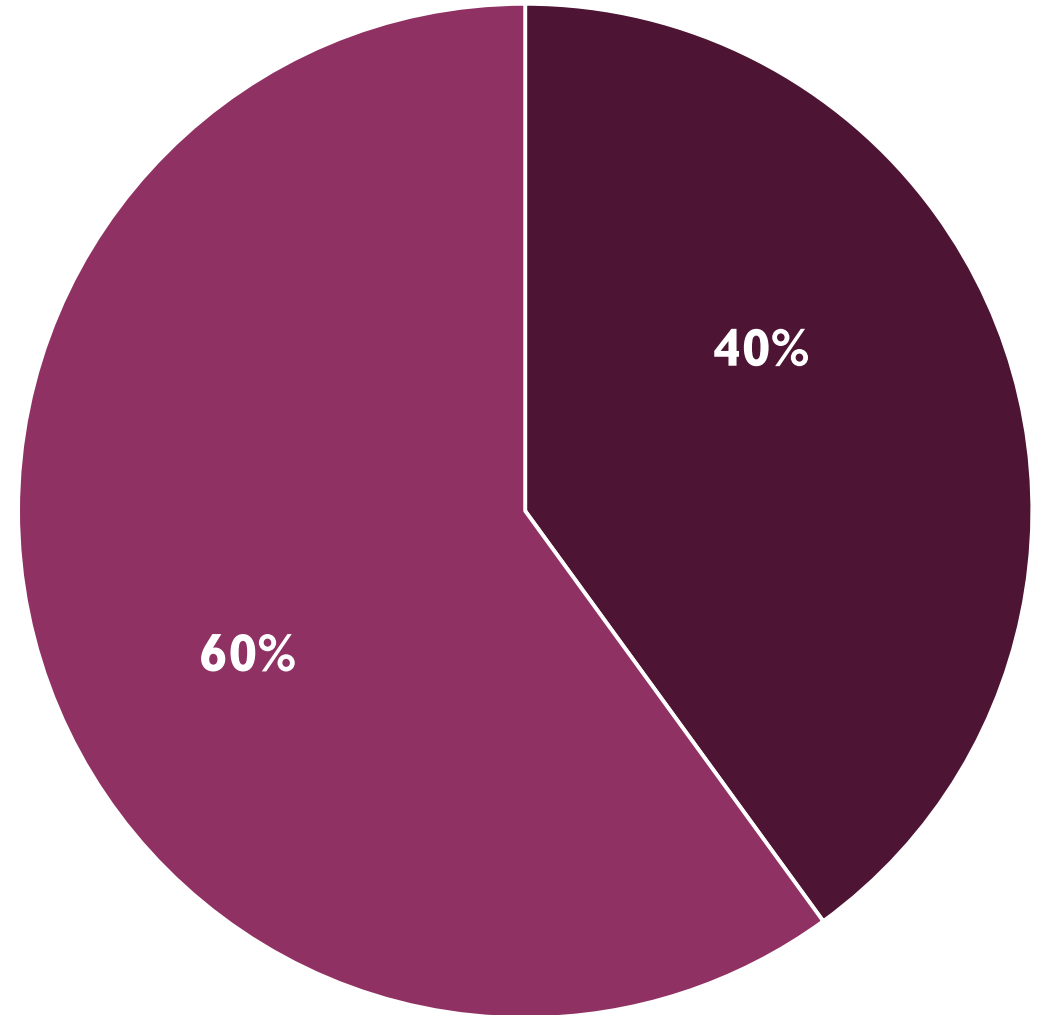


**Surcharges by Agrichemical
(FY2015)**



■ Fertilizer ■ Pesticides

**Surcharges by Agrichemical
(Proposed)**



■ Fertilizer ■ Pesticides

STATUTORY TRIGGER FOR SURCHARGE REDUCTIONS

- Request a statutory trigger for surcharge reductions
 - Automatic **surcharge holiday** if fund balance is **> \$1.5 million** on May 1
 - Automatic **50% reduction** if fund balance is **> \$750,000 < \$1.5 million** on May 1

LIFETIME MAXIMUM

- Keep lifetime maximum at **\$400,000**
 - No expansion of ACCP

ELIGIBILITY

- **Repeal s. 94.73 (3m)(w)**, related to ineligibility of “greenfield” sites
 - All sites/farmers/businesses pay surcharges into ACCP
 - All sites would be eligible for ACCP

POLLUTION PREVENTION

- **Repeal s. 94.74**, authorization for agrichemical pollution prevention grants
 - Rules never completed
 - ACCP surcharges only collected and used for clean-ups

BENEFITS TO FARMERS

- Reduces direct pass through costs to farmers
 - FY2015 = 92% of \$2.9 million (\$2.7 million)
 - Proposed = 34% of \$850,000 (\$285,000)
- **\$2.4 million reduction (89%)** annually in farmer direct payments
- Everyone maintains eligibility, but no expansion of the program
- Only collects those surcharges that are necessary to fund the program.

BENEFITS TO BULK STORAGE BUSINESSES

- ACCP Fund remains available for clean-ups
- Eliminates “rogue dealer” problem
- All facilities eligible, including “greenfields”
- Only collects those surcharges that are necessary to fund the program.

BENEFITS TO PESTICIDE REGISTRANTS

- Eliminates the direct pass through to farmers
 - Eliminates collection of fees and calculation and reporting of sales
 - Eliminates “rogue dealer”
- All NHH pesticide products remain eligible for clean-up assistance
- Only collects those surcharges that are necessary to fund the program.

BENEFITS TO WISCONSIN & ENVIRONMENT

- ACCP Fund remains available
 - Ensures timely reporting
 - Results in timely environmental clean-ups
 - Protects groundwater
 - Saves money
- Less revenue = money available in economy for other purposes.



DISCUSSION